

Standard Conditions

GOVERNING CONTRACTS AND ORDERS FOR SPOT BROADCASTING

Adopted 1933 by

National Association of Broadcasters

In cooperation with

American Association of Advertising Agencies

1. PAYMENT

[a]. The agency agrees to pay, and the broadcasting station agrees to hold the agency solely liable for payment, for the broadcasting covered by this order unless expressly otherwise agreed in writing.

[b]. The agency personally agrees to pay for broadcasting covered by this order, at the office of the broadcasting station or of its authorized representative, on or before the last day of the month following that in which the broadcasting is done unless otherwise stipulated on the face of this order; or, when cash discount is deducted but payment date not specified on the station's rate card, on the fifteenth of the month following.

[c]. In all cases date of payment is material and unless otherwise stipulated the postmark date on the envelope properly addressed to the broadcasting station or to its representative shall be considered the date when payment was made.

[d]. Station's invoices for broadcasting covered by this order shall be in accordance with the station's log and shall so state on each such invoice.

[e]. Invoices should be rendered not less often than monthly.

[f]. The station reserves the right to cancel the order at any time upon default by the agency in the payment of bills, or other breach, or in the event of any material violation on the part of the agency of any of the conditions herein named; and upon such cancellation all broadcasting done hereunder and unpaid shall become immediately due and payable. In case of delinquency in payments or impaired credit the station shall have the right to change the requirements as to terms of payment for further broadcasting under this order as it may see fit.

2. TERMINATION

[a]. This agreement may be terminated by either party by giving the other two weeks' notice, unless otherwise stipulated on the face of this order. If the agency terminates the agreement it will pay the station according to the station's published rates for the lesser number of periods, for all services previously rendered by the station. If the station terminates the agreement; either, the agency and the station will agree on a satisfactory substitute day or time at the rates in effect at the time this agreement was made, or, the agency will pay the station according to the rates specified herein, for all services previously rendered by the station; that is, the agency shall have the benefit of the same time discounts which the agency would have earned had it been allowed to complete the order. In the event of such termination, neither party shall be liable to the other party otherwise than as specified in this paragraph.

3. INABILITY TO BROADCAST

[a]. Should the station, due to public emergency or necessity, legal restriction, Act of God, or at the direction of Federal, State or Municipal authorities or for any other reason beyond the control of the station, be unable to broadcast one of the agency's programs at the time specified, the station shall not be liable to the agency for damages but will communicate with the agency as far in advance as possible. The agency will then either agree with the station on a satisfactory substitute time for the broadcast, or, if no such agreement can be reached, the broadcast will be considered as cancelled, without affecting the rate shown on this order. In the event of such cancellation or postponement, the station will make, if approved by the agency, a suitable courtesy announcement as to the reason for cancellation or postponement, and as to any substitute time agreed upon.

[b]. If interruptions occur during the entertainment portion of the broadcast, credit shall be given by the station at the pro rata rate for such interruptions of one minute or more duration. If interruptions occur during the commercial announcement portion of the broadcast, credit shall be given by the station in the same proportion to the total station time charge which the omitted commercial announcement portion bears to the total commercial announcement in the program. If the interruption equals or exceeds 50% of the total program time the station shall defray a pro rata share of the live talent costs, unless the interruption is due to an Act of God, public emergency or legal restriction.

4. SUBSTITUTION OF SUSTAINING PROGRAM OF PUBLIC IMPORTANCE

[a]. The station shall have the right to cancel any broadcast covered by this order and substitute a sustaining program of such outstanding public importance that failure to broadcast same would work injury alike to the station and the advertiser. In such case, the station will notify the agency as far in advance as possible, and the agency and the station will agree on a satisfactory substitute day or time for the broadcast, or, if no such agreement can be reached, the broadcast will be considered as cancelled without affecting the rates or rights shown on this order. In the event of such cancellation or postponement, the station will make, if approved by the agency, a suitable courtesy announcement as to the reason for cancellation

or postponement and as to any substituted time agreed upon. In the event of such replacement, when the station notifies the agency less than two weeks in advance of broadcast, the station shall reimburse the agency any non-cancellable cost of live talent.

5. RATES

[a]. It is agreed that the rate named in this order is the lowest rate made by the station for like services and that if at any time during the life of this order the station makes a lower rate for the same services, this order shall be completed at such lower rate from that date.

[b]. All rates shall be published. There shall be no secret rates, rebates or agreements affecting rates. All rates shall be furnished agencies if requested.

[c]. If this order is continued without interruption beyond the time specified, the additional broadcasts shall be considered part of this order and the same rate shall apply until any lower rate prevailing at the time this agreement is made shall have been earned; and then this lower rate shall apply to the whole order. It is agreed, however, that this provision shall not cover a service rendered by the station later than one year from the date of the first broadcast, unless specifically agreed.

6. PROGRAMS

[a]. The order for station time includes the services of the technical staff and of a regular staff announcer. Other talent and services are covered by the program charge in this order which is subject to change by the agency with the consent of the station.

[b]. Should the station fail to receive program material seven days in advance of the broadcast it shall so notify the agency. Subsequent to this notification, if the station fails to receive the program material in time for the broadcast, if the programs are transcriptions, the station shall, following first broadcast, repeat a previous program unless otherwise instructed, or unless program is one of a series, in which case the station shall have the right to announce the name, address and business classification of the advertiser, produce a creditable program and make regular charge for station time and reasonable talent charge to the agency. If the programs are produced locally it shall, following first broadcast, repeat the commercial announcement of the preceding broadcast, using the agreed talent unit.

[c]. Except as otherwise hereinafter expressly provided the agency will save the station harmless against all liability for libel, slander, illegal competition or trade practice, infringement of trade marks, trade names or program titles, violation of rights of privacy and infringement of copyrights and proprietary rights, resulting from the broadcasting of the programs herein provided for in the form furnished or approved by the agency. Such indemnity shall not apply to the musical compositions performed in non-dramatic form, the unrestricted right to perform which is licensed by ASCAP, provided the agency shall have at least one week prior to each broadcast submitted to the station in writing in duplicate a correct list of the titles of names of composers and copyright owners appearing on the published or unpublished copies of the musical compositions to be used on the said programs. The station agrees, however, to save the agency harmless against all liability where the programs are prepared and produced both as to artists and program content by the station excepting only such liability as may result from the broadcasting of the commercial credits and other material as furnished or approved by the agency.

[d]. Programs prepared by the agency are subject to the approval of the station management both as to artists and to program content.

7. GENERAL

[a]. This order is subject to the terms of licenses held by the parties hereto and is also subject to all Federal, State and Municipal laws and regulations now in force, or which may be enacted in the future.

[b]. The rights under this order shall not be transferable to another advertiser than the one specified in this order unless the consent of the station has been obtained.

[c]. In dealing with agencies, the station shall follow a uniform policy to avoid discrimination.

[d]. The agency agrees that it will not rebate to its client any part of the commission allowed by the station.

[e]. The failure of the station or of the agency to enforce any of the provisions herein listed with respect to a breach thereof in any one instance shall not be construed as a general relinquishment or waiver under this agreement and the same shall nevertheless be and remain in full force and effect.

(OVER)